



Building Permit Program Services

Addendum 5 to the Cottage Grove IGA and Updates to Operating Plan

Meeting Date	Staff Contact	Email
June 9, 2026	Adam Hanks, City Administrator Megan Winner, Planning Director	adam.hanks@coburgoregon.gov megan.winner@coburgoregon.gov

SUMMARY AND REQUESTED COUNCIL ACTION

Consider approval to allow for the City Administrator to execute addendum 5 to the Intergovernmental Agreement (IGA) with Cottage Grove and acknowledge the updated Operating Plan for the purpose of providing Building Permit Program Services to the City of Coburg.

Suggested Motion

I move to approve Addendum 5 to the existing Intergovernmental Agreement (IGA) with the City of Cottage Grove to provide Building Permit Program Services.

AND

I move to acknowledge and accept the updated Building Program Operating Plan required to be submitted to the State of Oregon Building Codes Division every four years.

BACKGROUND

Since June 2020, the City of Coburg has been working under an Intergovernmental Agreement with Cottage Grove for the purpose of providing Building Permit Program Services. Amendments to the IGA are needed to more accurately reflect the cost and operations of the program. This year the cost structure is changing from the previous flat percentage rate of the program to a time and materials cost that will more accurately reflect the cost of Coburg’s participation in the program based on use and development activity.

The City of Cottage Grove also contracts with the Cities of Veneta and Creswell to provide Building Permit Program Services to those jurisdictions and this same cost structure will be implemented within those jurisdictions as well for consistency of operations and equitable financial contributions to this regional service delivery model.

The Operating Plan is required to be updated every four years to ensure up to date references and information and was last updated and submitted to the Building Codes Division in January of 2022.

RECOMMENDATION

Staff recommend Council acknowledge the Operating Plan and approval Addendum 5 to the Cottage Grove Building Permit Services IGA.

BUDGET / FINANCIAL IMPACT

The new cost structure of the IGA allows the building permit program to largely pay for itself in that charges to the City will be associated with a percentage of permit fees, plus any additional work that is requested outside a building permit scope (pre-app meeting, consultation, research, etc.) as seen in Exhibit B to the IGA.

This structure aims to provide more sustainability to the general fund by more closely aligning building permit program revenues and expenditures based on development activity and use of the program. This new structure reduces anticipated operating costs for FY27 by \$20,000-\$30,000 per year.

RELEVANT COUNCIL GOAL, CITY POLICY OR COMPREHENSIVE PLAN

From the 2026 adopted Council framework: V. Our Financial Resources

PUBLIC INVOLVEMENT

This is an annual budgetary item. Revenues and expenditures for the Building Permit Program Services are part of the FY27 proposed budget. Public comment was available through the budget process.

NEXT STEPS

Implement updated Operating Plan and IGA payment structure

ATTACHMENTS

Updated Operating Plan

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